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FM AMEMBASSY ABU DHABI
TO RUEHC/SECSTATE WASHDC IMMEDIATE 8689
INFO RUCNIRA/IRAN COLLECTIVE PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY

S E C R E T ABU DHABI 000547

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STATE FOR NEA/IR, NEA/ARP, ISN/CPI, EEB
TREASURY FOR RACHEL LOEFFLER
NSC FOR DAVID STEVENS

E.O. 12958: DECL: 01/02/2017

TAGS: KNP EFIN PARM IR AE

SUBJECT: USG CONCERNS ABOUT IMPLEMENTATION OF UNSCR 1747
WITH RESPECT TO BANK SEPAH - UAE RESPONSE

REF: A. SECSTATE 40440

- 1B. ABU DHABI 526
- 1C. ABU DHABI 510
- 1D. ABU DHABI 473

Classified By: DCM Martin Quinn for reasons 1.4 (b) and (d).

11. (S) On April 1, Econchief discussed the UAE's implementation of UNSCR 1747 with regard to Bank Sepah with Ahmed Al-Qamzi, Head of the UAE Anti Money Laundering and Suspicious Cases Unit's (AMLSMU) International Division, and passed him information that we had on reported Bank Sepah correspondent accounts and activities. Al-Qamzi said that the Central Bank had sent instructions earlier that day to all banks and financial institutions in the UAE to search for and freeze the assets of Bank Sepah and Bank Sepah International (as well as the assets of the other named individuals and entities in UNSCR 1747).

12. (S) Al-Qamzi said that he had already heard on his "open" e-mail from money changers that they had received the instructions and were complying. He had not yet had the opportunity to open the "secure" e-mail to banks to see their responses. Al-Qamzi added that he would be following-up personally with certain banks on April 2 and thanked Econchief for the information provided about Bank Sepah. In response to Econchief's question about what steps the Central Bank was taking to ensure that assets were frozen and correspondent accounts were closed, Al-Qamzi reminded him that the Central Bank had issued an internal circular to its bank examiners to scrutinize Iranian transactions closely (ref d). The AMLSCU and the banking examiners would both be verifying that financial institutions were taking appropriate action. He added that financial institutions were already nervous about dealing with Iran and that the banks' own internal and external auditors were charged with ensuring that they adhered to all Central Bank regulations.

13. (S) Econchief asked when Al-Qamzi thought he might have some information about Bank Sepah's accounts in the UAE and whether there might have been asset flight. Al-Qamzi said that the Central Bank would be conducting its assessment and sending a report to the Ministry of Foreign Affairs, which would be responsible for responding to the UN.

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